

### REMARKS

This responds to the Office Action mailed on October 21, 2005, and the references cited therewith. Claims 1-29 are pending in this application. Applicant does not admit that the cited references are prior art and reserves the right to "swear behind" each of the cited references as provided under 37 C.F.R. 1.131.

#### §103 Rejection of the Claims

##### Claims 1-26 and 28-29

Claims 1-26 and 28-29 were rejected under 35 U.S.C. § 103(a) as being unpatentable over French et al. (U.S. 6,263,447) in view of Harrington et al. (U.S. 6,161,099). Applicant submits that the Office Action has not established a *prima facie* case of obvious vis-à-vis claims 1-26 and 28-29.

The Examiner has the burden under 35 U.S.C. § 103 to establish a *prima facie* case of obviousness. *In re Fine*, 837 F.2d 1071, 1074, 5 USPQ2d 1596, 1598 (Fed. Cir. 1988). In order for the Examiner to establish a *prima facie* case of obviousness, three base criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. (Emphasis added.)<sup>1</sup>

Applicant submits the Office Action has not established a *prima facie* case of obvious because (1) the Office Action does not identify a motivation for combining the cited references and (2) the Office Action uses Applicant's specification in forming the combination. The discussion below will address these issues.

#### THE OFFICE ACTION HAS NOT IDENTIFIED A MOTIVATION FOR THE COMBINATION

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<sup>1</sup> M.P.E.P. § 2142 (citing *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed.Cir. 1991)).

As noted above, the Office Action must show some suggestion or motivation for combining the cited references. According to the MPEP:

“There are three possible sources for a motivation to combine references: the nature of the problem to be solved, the teachings of the prior art, and the knowledge of persons of ordinary skill in the art.” *In re Rouffet*, 149 F.3d 1350, 1357, 47 USPQ2d 1453, 1457-58 (Fed. Cir. 1998) (The combination of the references taught every element of the claimed invention, however without a motivation to combine, a rejection based on a *prima facie* case of obvious was held improper.). The level of skill in the art cannot be relied upon to provide the suggestion to combine references. *Al-Site Corp. v. VSI Int'l Inc.*, 174 F.3d 1308, 50 USPQ2d 1161 (Fed. Cir. 1999).<sup>2</sup>

The following discussion will show that the Office Action has not provided a motivation from “the nature of the problem to be solved, the teachings of the prior art, and the knowledge of persons of ordinary skill in the art,” as required by the MPEP.

Applicant submits that the nature of the problem solved by the claimed invention does not provide a motivation for modifying French with features of Harrington, as asserted in the Office Action. Embodiments of the claimed invention are directed to solving problems related to “facilitating user registration” in a network “auction” facility. Application at page 6, line 2 and description of Figure 1. French relates to a technique for “authenticating the identity of network users.” French at column 1, lines 22-23. Harrington solves a different problem. Harrington relates to “a method of conducting auctions . . . over electronic networks . . .” Harrington at column 1, lines 13-15. In particular, Harrington is solving the problem of typical auctions where “the bidders must either gather together in the same physical location or remain in contact with the auctioneer by telephone or video conference facility.” Harrington at column 1, lines 51-54.

French and Harrington solve different problems. French’s system provides for authentication of a user. Harrington’s system provides for conducting auctions over a network. Therefore, the nature of the problem solved (facilitating user registration in a network auction facility) would not lead one of ordinary skill in the art to modify French’s system to authenticate network users to include Harrington’s method for conducting auctions over a network.

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<sup>2</sup> MPEP 2143.01

Applicant also submits that the Office Action does not identify any teachings of the prior art or knowledge of ordinary skill in the art that would motivate one to modify French using Harrington. That is, the Office Action did not identify a passage, in French, Harrington, or any other reference, that teaches or suggests modifying French's user authentication with Harrington's auctions over a network. Because the Office Action has not provided a motivation for the cited combination based on the nature of the problem to be solved, the teachings of the prior art, or the knowledge of persons of ordinary skill in the art, the Office Action has not established a *prima facie* case of obviousness under 35 U.S.C. §103.

#### THE OFFICE ACTION USES APPLICANT'S SPECIFICATION TO FORM THE CITED COMBINATION

Applicant submits that the Office Action uses applicant's specification and impermissible hindsight as a basis for combining French with Harrington. The MPEP states, "The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, not in applicant's disclosure."<sup>3</sup> Furthermore, the Examiner must avoid hindsight.<sup>4</sup>

In providing a motivation for combining the cited references, the Office Action states:

It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify French et al. to include conducting said user registering step in the auctioning environment, as disclosed in Harrington et al., because it would advantageously enhance the security of the transaction system and prevent the E-commerce system from fraud.<sup>5</sup>

Applicant disagrees with this statement and points-out that the statement is taken from Applicant's disclosure. Specifically, the application discloses the need for enhancing user trust:

However, access to the network-based transaction facility cannot be unlimited. Indeed, for participants of a network-based transaction facility, verification of user identity is particularly important for enhancing user trust in the transaction facility. In other words, a reasonable assurance that a trader is who he or she claims to be may be particularly valuable and useful in providing

<sup>3</sup> MPEP § 2143 quoting *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991);

<sup>4</sup> *In re Bond*, 910 F.2d 831, 834, 15 USPQ2d 1566, 1568 (Fed. Cir. 1990).

<sup>5</sup> Office Action at p. 3.

other traders with a degree of confidence regarding that specific trader and the transaction facility itself.<sup>6</sup>

The Office Action's reasoning restates concepts in Applicant's disclosure. If the Office Action were not relying on the Applicant's disclosure, the Office Action would have identified passages from French, Harrington, or other references that support its reason for combining the references. Because the Office Action has not provided a basis for combining French and Harrington, Applicant submits that the Office Action used impermissible hindsight when rejecting the above-cited claims.

Because the Office Action has not established a *prima facie* case of obviousness under 35 U.S.C. §103, Applicant respectfully submits that the rejection of claims 1-26 and 28-29 under 35 U.S.C. §103 has been overcome.

#### Claims 28-29

With regard to claims 28-29, in addition to the remarks set forth above regarding claim 1 (from which such claims depend), Applicant respectfully submits the following remarks. With regard to claim 28, among the differences, claim 28 recites "wherein the predetermined threshold is proportionate to at least one of a size of the network-based transaction facility and a type of operation of the network-based transaction facility." With regard to claim 29, among the differences, claim 29 recites "wherein the predetermined threshold is varied based on whether the user is a corporation or an individual."

The Office Action indicated the following:

It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify French et al. and Harrington et al. to include that the predetermined threshold is proportionate to a type of operation of the network-based auction facility, because it would advantageously allow to provide higher protection to higher volume transactions compare (sic) to low-volume transactions.<sup>7</sup>

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<sup>6</sup> Application at p. 3, lines 2-7.

<sup>7</sup> Office Action at p. 6.

In other words, none of the cited references disclose the claimed limitations. Applicant notes for the record that the Examiner appears to taking official notice of the missing elements, which is timely traversed herein under M.P.E.P. § 2144.03, and if the Examiner is aware of a reference providing support for the assertion, citation of such reference is respectfully requested. If a reference cannot be provided, Applicant submits the assertion is formed on personal knowledge and Applicant requests that an affidavit be provided, as required by 37 C.F.R. § 1.104(d), or withdrawal of this 35 U.S.C. § 103 rejection.

#### Claim 27

Claim 27 was rejected under 35 U.S.C. § 103(a) as being unpatentable over French et al. in view of Harrington et al. and further in view of Ng (U.S. 6,405,174). In addition to the remarks for claim 1 (from which claim 27 depends), Applicant respectfully submits the following remarks. Applicant submits the Office Action has not established a *prima facie* case of obvious because the cited references do not teach or suggest all the claim limitations.

Among the differences, claim 27 recites "allowing a second user of the network-based auction facility to access an indicator of verification of the user." The Office Action indicated that this limitation is disclosed by Ng:

Ng teaches web site for rewarding customer referrals on product and price information with rewards scaled by the number of shoppers using the information comprising allowing a second user of the network-based auction facility to access an indicator of verification of the user (col. 14, lines 12-15).<sup>8</sup>

Applicant respectfully traverse this assertion. This section of Ng relates to users given "accuracy ratings based on the number of errors that have been detected in their product submissions, or based on feedback comments by other users."<sup>9</sup> This section of Ng does not disclose the above cited claim limitation for at least two reasons. First, the ratings in this section of Ng are for accuracy of input by users into the system (not for verification of the user based on

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<sup>8</sup> Office Action at p. 6.

<sup>9</sup> Ng at column 14, lines 12-15.

input during registration). Second, this section of Ng does not disclose that the accuracy ratings are disclosed among users.

Because the Office Action has not established a *prima facie* case of obviousness under 35 U.S.C. §103, Applicant respectfully submits that the rejection of claim 27 under 35 U.S.C. §103 has been overcome.

**CONCLUSION**

Applicant respectfully submits that the claims are in condition for allowance, and notification to that effect is earnestly requested. The Examiner is invited to telephone Applicant's attorney at (612) 371-2103 to facilitate prosecution of this application.

If necessary, please charge any additional fees or credit overpayment to Deposit Account No. 19-0743.

Respectfully submitted,

ALEX DAI-SHUN POON

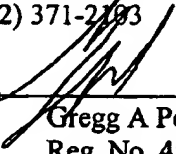
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**CERTIFICATE UNDER 37 CFR 1.8:** The undersigned hereby certifies that this correspondence is being deposited with the United States Postal Service with sufficient postage as first class mail, in an envelope addressed to: Mail Stop Amendment, Commissioner of Patents, P.O. Box 1450, Alexandria, VA 22313-1450, on this 21 day of March, 2006.

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